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Copy 5 of 5

2 January 1958

MEMORANDUM FOR THE RECORD

25X1C4c

SUBJECT: Contracts with [REDACTED] Project
RAINBOW.

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1. Letter Contract No. [REDACTED] and Amendments 1 through 3 thereto provide for theoretical studies and investigations in the field of electromagnetic radiation in connection with Project Rainbow.

2. In order that the Contractor may more properly allocate indirect costs between Projects AQUATONE and [REDACTED] for work to be performed after 31 December 1957, it was agreed with the Contractor's representatives during a meeting held in this office on 16 December 1957 that the existing letter contract with [REDACTED] would be terminated as of 31 December 1957 and the work would be continued under a new contract to be effective 1 January 1958.

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3. Amendment No. 4 to Letter Contract No. [REDACTED] has been drawn, therefore, to terminate the existing agreement on 31 December 1957 and to provide for negotiation of a final contract price thereunder. Letter of Intent, Contract No. [REDACTED] has been drawn to continue the work from 1 January 1958 through 30 June 1958.

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4. No additional funds have been obligated for continuance of the work under the new contract, however, the letter of intent provides that pending negotiation of the definitive contract it may not expend or obligate more than the sum remaining unexpended or unencumbered under the existing Letter Contract No. [REDACTED] as of 31 December 1957.

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5. Concurrence in the issuance and execution of the above mentioned documents by the authorized Project Contracting Officer is recommended.

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CONCURRENCES:

[REDACTED]
Contracting OfficerApproval recommended in
Paragraph 5, granted.[REDACTED]
Office of General Counsel

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[REDACTED]
RICHARD M. BISSELL, JR.
Project Director~~SECRET~~